

General Information Letter: Donations to the Do-It-Yourself School Funding Fund are distributed to elementary and high school districts.

March 22, 1999

Dear:

This is in response to your letter dated March 16, 1999, in which you request a letter ruling. The nature of your letter and the information you have provided require that we respond with a General Information Letter, which is designed to provide general information, is not a statement of Department policy and is not binding on the Department. See 86 Ill. Adm. Code 1200.120(b) and (c), enclosed.

In your letter you have stated the following:

I have examined the booklet, 1998 IL-1040, Individual Income Tax Return and Instructions. I find most of the instructions quite clear, but I think you could be much more precise with respect to Pg. 17, #27 Donation to your school district.

For Ill. residents a donation can be made "to the school district in which you reside." Which district? Like many Ill. residents, I reside in at least three school districts -- a local district (grammar and middle school) a high school district, and a junior college district. Who gets the donation? Is it divided by three?

Perhaps you could inform me, and clarify the issue next year.

Response

Section 6z-42 of the State Finance Act (30 ILCS 105/6z-42) provides:

There is created in the State treasury the Do-It-Yourself School funding Fund. All moneys received by the Department of Revenue under Section 245 of the Illinois Income Tax Act shall be deposited into the Fund. The Department, pursuant to appropriation, shall distribute to each school district the amount of funds deposited into the Fund attributable to taxpayers that reside in that school district, provided that if a taxpayer does not reside in a unit school district, the funds deposited into the Fund and attributable to that taxpayer shall be distributed equally to the elementary school district and the high school district in which the taxpayer resides.

Thus, in your case, any funds you contribute will be divided equally between your elementary school district and your high school district.

As stated above, this is a general information letter which does not constitute a statement of policy that applies, interprets or prescribes the tax laws, and it is not binding on the Department. If you are not under audit and you wish to obtain a binding Private Letter Ruling regarding your factual situation, please submit all of the information set out in items 1 through 8 of the enclosed copy of Section 1200.110(b).

Sincerely,

Paul S. Caselton
Associate Chief Counsel -- Income Tax